COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| AN EXAMINATION BY THE PUBLIC SERVICE |) | |
|--------------------------------------|---|------------------|
| COMMISSION OF THE APPLICATION OF THE |) | |
| FUEL ADJUSTMENT CLAUSE OF FARMERS |) | CASE NO. 10447-B |
| RURAL ELECTRIC COOPERATIVE |) | |
| CORPORATION FROM MAY 1, 1989 TO |) | |
| OCTOBER 31, 1989 |) | |

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on December 13, 1989 established this case to review and evaluate the operation of the fuel adjustment clause of Farmers Rural Electric Cooperative Corporation ("Farmers") for the period May 1, 1989 to October 31, 1989.

As a part of this review, the Commission ordered Farmers to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Farmers has complied with this Order. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that Farmers has complied in all material respects with the provisions of Commission Regulation 807 KAR 5:056.

IT IS THEREFORE ORDERED that the charges and credits applied by Farmers through its fuel adjustment clause for the period May 1, 1989 to October 31, 1989 be and they hereby are approved.

Done at Frankfort, Kentucky, this 15th day of March, 1990.

PUBLIC SERVICE COMMISSION

Robert M. Mars

Commissioner

ATTEST: